

# Introduction to Financial Services

Career Cluster	Finance
Course Code	
Prerequisite(s)	None
Credit	0.5
Graduation Requirement	No
Program of Study and Sequence	Foundation Courses -- <b>Introduction to Financial Services</b> – Accounting I or Banking Services or Risk Management and Insurance or Investment Planning – Advanced Cluster Courses – Capstone Experience
Student Organization	FBLA, DECA
Coordinating Work-Based Learning	
Industry Certifications	
Dual Credit or Dual Enrollment	
Teacher Certification	
Resources	

## Course Description:

This course focuses on the banking and financial industries including an understanding of economics as the underlying basis of the transfer and growth of money in our system. Students will gain knowledge of the securities, banking, and insurance industries with information that will not only help them to be a better consumer but also help them to make decisions about careers in the various fields of finance. The course provides information on financial planning and counseling and how it relates to financial services.

## Program of Study Application

Introduction to Financial Services is a cluster course within the Finance Cluster. Introduction to Financial Services would be preceded by a Foundation Course and would prepare a student to enter any of the pathways within the Finance Cluster.

**Course Standards****IFS 1 Explain how economics relates to the banking and financial industries.**

<i>Webb Level</i>	<i>Sub-indicator</i>	<i>Integrated Content</i>
Level 2 Skill/Concept	<b>IFS 1.1 Describe the role of the Federal Reserve and how interest rates affect the economy.</b> Examples: <ul style="list-style-type: none"><li>• Identify different interest rates including prime, discount and federal funds.</li><li>• Explain concept of compound interest and the importance of time and accumulating wealth</li></ul>	
Level 2 Skill/Concept	<b>IFS 1.2 Explain inflation, deflation, recession, depression and their impact on the banking and financial industries.</b> Examples: <ul style="list-style-type: none"><li>• Discuss the time value of money.</li><li>• Explain the risk / reward rule.</li></ul>	

**Notes:**

**IFS 2 Analyze investment opportunities as they relate to the financial industry.**

<i>Webb Level</i>	<i>Sub-indicator</i>	<i>Integrated Content</i>
Level 2 Skill/Concept	<b>IFS 2.1 Explain the structure of the securities market.</b> Examples: <ul style="list-style-type: none"><li>• Identify various stock exchanges and the differences among them.</li><li>• Identify the difference between a bull and a bear market.</li><li>• Describe the process of executing a stock transaction.</li><li>• Explain the role of various stock market tracking devices.</li></ul>	
Level 3 Strategic Thinking	<b>IFS 2.2 Differentiate mutual funds, corporate, and government bonds as they relate to investing.</b> Examples: <ul style="list-style-type: none"><li>• Compare and contrast the advantages and disadvantages of investing in mutual bonds versus individual stocks.</li><li>• Demonstrate ability to determine the profitability of mutual fund companies. Explain the inverse relationship of the value of bonds to interest rates.</li><li>• Describe the characteristics of corporate bonds, convertible bonds, treasury bills and bonds, savings bonds and municipal bonds.</li></ul>	

**Notes:**

**IFS 3 Examine the various types of insurance handled in the financial industry.**

<i>Webb Level</i>	<i>Sub-indicator</i>	<i>Integrated Content</i>
Level 2 Skill/Concept	<b>IFS 3.1 Discuss property and casualty insurance.</b> Examples: <ul style="list-style-type: none"><li>• Explain the use of riders and endorsements on insurance policies.</li><li>• Describe the characteristics of various automobile coverage including liability, collision and comprehensive.</li><li>• Identify different types of insurance including homeowners' policy, disability, auto, health, product liability, etc.</li><li>• Explain what a deductible is and how the amount of the deductible alters the premium rates.</li></ul>	
Level 2 Skill/Concept	<b>IFS 3.2 Compare types of life insurance policies.</b> Examples: <ul style="list-style-type: none"><li>• Identify the difference between tax free and tax deferred benefits as it applies to life insurance.</li><li>• Distinguish between term, whole life and universal life insurance including face amount, cash value, premium, etc.</li><li>• Explain the tax benefits of purchasing tax insurance annuities as an investment alternative.</li></ul>	

**Notes:**

**IFS 4 Examine financial planning and counseling and how it relates to financial services.**

<i>Webb Level</i>	<i>Sub-indicator</i>	<i>Integrated Content</i>
Level 1 Recall	<b>IFS 4.1 Identify successful strategies to help individuals/families achieve financial goals.</b> Examples: <ul style="list-style-type: none"> <li>• Define the SMART (Specific, Measurable, Achievable, Realistic, Timely) goal setting model.</li> <li>• Understand needs of individuals and families at various life cycle stages.</li> <li>• Identify financial goals.</li> </ul>	<a href="https://afcpe.org/assets/pdf/vol28.pdf">https://afcpe.org/assets/pdf/vol28.pdf</a>
Level 1 Recall	<b>IFS 4.2 Discuss the importance of confidentiality when working one-on-one with individuals/families as they work through their financial challenges.</b> Examples: <ul style="list-style-type: none"> <li>• Define the role of a fiduciary.</li> <li>• Discuss issues of confidentiality when working with individuals and families.</li> <li>• Recognize debt management issues that impact financial security.</li> </ul>	
Level 1 Recall	<b>IFS 4.3 Explain the importance of avoiding consumer fraudulent activities and the importance of consumer ethics.</b> Examples: <ul style="list-style-type: none"> <li>• Discuss ethical issues that impact financial planning.</li> <li>• Recognize the impact of credit score on access to financial services.</li> <li>• Understand impact of identity theft on access to financial services.</li> </ul>	

**Notes:**

**IFS #5 Explain industry, consumer and career practices.**

<i>Webb Level</i>	<i>Sub-indicator</i>	<i>Integrated Content</i>
Level 1 Recall	<b>IFS 5.1 Identify the difference between banks and credit unions.</b> Examples: <ul style="list-style-type: none"> <li>• Explain the importance of insured deposits for banks and who insures financial institutions' deposits (FDIC – Federal Deposit Insurance Corporation, NCUA – National Credit Union Association, FS-LIC – Federal Savings and Loan Insurance Corporation).</li> <li>• Describe how financial institutions make money and the role of savers and borrowers.</li> </ul>	
Level 2 Skill/Concept	<b>IFS 5.2 Describe the loan process.</b> Examples: <ul style="list-style-type: none"> <li>• Discuss ways to establish and maintain a good credit rating.</li> <li>• Explain collateral cosigners and the role they play in getting a loan and making it more secure.</li> <li>• Describe the consequences of extending the loan life to achieve lower monthly payments.</li> <li>• Explain the consequences of borrowing money and describe an amortization schedule.</li> <li>• Describe the debt-to-income ratio and the maximum range that most lending institutions will allow.</li> </ul>	
Level 2 Skill/Concept	<b>IFS 5.3 Explore career-ready practices.</b> Examples: <ul style="list-style-type: none"> <li>• Understand professionalism and communication skills in the workplace.</li> <li>• Compare career opportunities in the financial industry.</li> <li>• Demonstrate necessary job skills needed in financial industries.               <ul style="list-style-type: none"> <li>○ Attendance and punctuality</li> <li>○ Positive attitude</li> <li>○ Positive work ethic</li> <li>○ Use of proper social skills</li> <li>○ Display ability to work as part of team and take direction from others</li> </ul> </li> </ul>	

**Notes:**